facilities are being expanded in rural areas for wider financial inclusion. In this regard, Banks have been advised to use the services of Non-Governmental Organisations(NGOs), Self Help Groups(SHGs), Micro Finance Institutions (MFIs) and other Civil Services Organisations as intermediaries in Facilitator and Correspondent models.

Mandatory filing of IT returns in rural areas

†1382. SHRI MOTILAL VORA:
SHRIMATI PREMA CARIAPPA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to make it mandatory for people of rural areas to file their income tax return;

(b) whether it is a fact that the people of rural areas are unable to file their income tax return on their own;

(c) whether it is also a fact that the people of rural areas are on the verge of starvation due to floods and draught and it is not possible for them to hire the services of Chartered Accountants; and

(d) if so, the basis of making it mandatory for people of rural areas to file their income tax return?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Every person whether residing in an urban area or rural area, is liable to file return of his income if his income chargeable to Income-tax exceeds the threshold limit. Since agricultural income is exempt from income-tax, a person residing in rural area whose non-agricultural income does not exceed the threshold limit is not liable to file the return of income.

(b) to (d) Since the income of such persons would generally be below the threshold limit, they would not be liable to file their income-tax returns. In any case, it is the continuous effort of the Government to provide quality taxpayers' service so as to enable small and marginal taxpayers to comply with the requirement of filing the tax returns.

†Original notice of the question was received in Hindi.